



# THE INTERIM

January 2010

A monthly newsletter of the Montana Legislative Branch

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The Interim, along with up-to-date information about interim committees, is also available on the Legislative Branch Website at [leg.mt.gov](http://leg.mt.gov).

## Council to Sponsor Teachers Institute on Representative Democracy in June

The Legislative Council will co-sponsor the first-ever Montana Teachers Institute on Representative Democracy and the Legislative Process next summer at the state Capitol.

The professional development program, scheduled for June 14-16, is aimed at Montana teachers of social studies, history, government, and civics. The goals of the institute are to:

- encourage and enhance teaching in Montana about representative democracy and the role of the state legislature within a representative democracy;
- prepare teachers to teach active citizenship in their classrooms;
- help remove barriers between citizens and their government; and
- address cynicism and negativity about government.



The sponsors plan to offer continuing education credits to teachers who attend.

Other sponsors include Project Citizen and Representative Democracy in America, both programs of the Center for Civic Education, a nonpartisan, nonprofit corporation dedicated to promoting a citizenry committed to democratic principles and actively engaged in the practice of democracy. The center is a partner with the National Conference of State Legislatures in the Alliance for Representative Democracy. For more information about the center and its programs, visit [www.civiced.org](http://www.civiced.org).

The teachers institute will include presentations by legislators and legislative staff, as well as a mock committee hearing. Legislators interested in participating should contact Gayle Shirley, Legislative Information Officer, 406-444-2957 or [gshirley@mt.gov](mailto:gshirley@mt.gov).

Members of the planning committee for the institute are Shirley; Kevin Hayes, publications coordinator with the Legislative Services Division; Sally Broughton of Bozeman, state coordinator of Project Citizen; Sue Henderson of Billings, state coordinator of Representative Democracy in America; Scott Evans, government teacher at Helena High School; and Jason Neiffer, government teacher at Capital High School. The Office of Public Instruction has agreed to assist the committee as needed and to help promote the event.

More information about the institute will be provided in future issues of *The Interim*.

## Countdown to the 2010 Census: Improving the Census Response Rate

The national response rate to the 2000 census survey was 67 percent. The response rate in individual states ranged from 76 percent in Iowa to 57 percent in Alaska. In Montana, the response rate was 68 percent (or about the same as in 1990), ranking the state 44th in the nation.

The response rate is the percentage of people estimated to have responded to the census survey. A higher response rate means a more accurate count of the population. If



households don't respond to the survey, census field workers must contact them, and that effort costs taxpayers money.

Hard-to-count areas are places that had a low response rate during the 2000 census. Using scores from the Census Bureau, local community leaders in Montana can determine where more effort is needed to ensure an accurate count in 2010.

Scores are derived from 12 variables that are correlated with low response rates. These variables are:

- vacant units;
- multi-family units;
- renter-occupied units;
- occupied units with more than 1.5 people per room;
- households that are not husband/wife families;
- occupied units with no telephone service;
- adults who are not high school graduates;

- people below the poverty level;
- households with public assistance income
- unemployed people;
- linguistically isolated households; and
- occupied units where the householder recently moved in.

Areas in Montana that are historically hard to count include urban pockets and rural areas, college towns, and reservations. Legislators who represent these areas may want to work with the Census Bureau and local officials to inform constituents of the importance of participating in the census.

## Help Spread the Word via Radio PSA

Legislators and local officials can record a radio public service announcement promoting census participation by calling a toll-free voicemail line at 1-720-533-4230. Callers should be ready to record their message and leave the call letters of stations over which they would like the announcement to air. Messages can be erased and re-recorded; multiple messages can also be recorded. The Census Bureau will send the messages to the appropriate radio stations. For more information contact Jared Ewy at the Denver Regional Census Media and Broadcast Center (720) 371-7586, [jared.r.ewy@census.gov](mailto:jared.r.ewy@census.gov), or fax (720) 533-4237.

Legislators may use the following script to record the announcement:

"This is (name and title). The 2010 Census is just around the corner. You'll receive the short and easy questionnaire in March. The few minutes you take to fill it out is vital for funding schools, roads, and other community projects. It also gives all of us a voice in government by being counted for representation in Congress and the state legislature. Stay tuned to this radio station for more information about the upcoming census, as well as how important one simple civic duty is to (city, county, state). The 2010 Census...it's in our hands."

The new census form is similar to the former "short form." It asks only 10 questions about the number of people living at a residence and their sex, age, race, and whether they are of Hispanic origin. It takes about 10 minutes to fill out. The census form and other information is available at [www.2010.census.mt.gov](http://www.2010.census.mt.gov).

Information about the census is also available on the Montana Legislative Branch website under the "For

Legislators' link. State and county profiles of census data can be accessed from the site through a link to the Census and Economic Information Center website ([www.ceic.mt.gov](http://www.ceic.mt.gov)).

Upcoming issues of *The Interim* will include articles about additional topics related to the census. These topics will include the various uses of census information, the fate of the census long form, and available resources. Contact Susan Byorth Fox at 406-444-3064 or [sfox@mt.gov](mailto:sfox@mt.gov) with questions or suggestions for future articles.

## Legislative Committees to Co-sponsor Budget Training for Legislators in March

The Legislative Finance Committee and the Legislative Council will co-sponsor a training on federal stimulus funds and the state budget March 3 at the Capitol. Legislators who participate will be reimbursed for their travel to Helena.

Chris Whatley, from the Council of State Governments, will discuss new federal jobs proposals and evaluate how these proposals may affect both state budgets and economic development. Legislative staff will also provide information during the training, which is aimed at exposing more legislators to key budget issues, encouraging interim committees to provide assistance to the Legislative Finance Committee on budget policy and the development of base and future expenditures levels, and helping the entire Legislature to be better prepared for the 2011 session. More information about the training will be provided in future issues of *The Interim*.

## CFHHS Committee to Explore Educational Opportunities for Medical Students

The Children, Families, Health, and Human Services Interim Committee will learn more this month about the educational opportunities available to medical students in Montana.

As part of the SJR 35 study of health care, speakers at the committee's Jan. 25 meeting will discuss:

- two state programs that secure positions for Montana students in out-of-state medical schools and help pay some of the costs;
- a program that gives medical students experience in primary-care practices around the state; and
- loan repayment programs for doctors and other primary-care providers who practice in rural Montana.

This information will help the committee to evaluate the health-care work force, particularly the availability of primary-care practitioners.

The committee also will hear about:

- placement of foster children with relatives;
- laws involving the commitment process for people with developmental disabilities; and
- budget issues affecting the state Department of Public Health and Human Services.

The meeting is scheduled for Monday, Jan. 25, at 9:30 a.m. in Room 137 of the Capitol. An agenda and other materials will be available by mid-January on the committee webpage, [leg.mt.gov/cfhhs](http://leg.mt.gov/cfhhs). For more information about the committee, contact Sue O'Connell, committee staff, at 406-444-3597 or [soconnell@mt.gov](mailto:soconnell@mt.gov).

## Economic Affairs Committee to Focus on Workers' Compensation Rates

The interplay of job classifications, regulation, and figuring how much money to hold in reserve to pay workers' compensation claims will engage the Economic Affairs Committee Jan. 20-21 in the basic factors used to calculate workers' compensation premiums. The two-day meeting will focus on how the structure of workers' compensation in Montana affects rate setting and regulation. The meeting will start at 8:30 a.m. Jan. 20 in Room 137 of the Capitol and reconvene at 8 a.m. Jan. 21.

State Auditor Monica Lindeen will discuss the role of regulatory oversight for private insurers and projections of what would be involved if her office regulated the Montana State Fund, which currently operates under statute and the direction of its board.

Ann Clayton, a consultant hired by the state Department of Labor and Industry, will provide an overview of the rate-setting process in workers' compensation as well as a comparison of operations of state funds in other states.

Mike Taylor, of the National Council on Compensation Insurance, Inc., will explain how his organization prepares workers' compensation insurance-rate recommendations and determines job classifications for rate-setting purposes.

Other presenters will include representatives of each of the three types of work-comp insurance-writing plans: self-insurers, private insurers, and the Montana State Fund.

On Jan. 21, other workers' compensation-related topics will include a panel discussion on medical recruitment and training for medical providers who treat workers' compensation cases, a review of how independent insurance agents help employers decide between private insurers and the Montana State Fund, and a presentation from the state Department of Administration.

The Department of Administration will review its implementation of HB 126, enacted last session. The legislation allows the department to manage one or more workers' compensation policies for all state agencies, with opt-in provisions for the legislative and judicial branches. Previously, each agency had a separate policy with the Montana State Fund, which is required by law to provide workers' compensation coverage for the State of Montana.

As part of its oversight of the Department of Livestock, the committee will learn about a proposed order to establish surveillance requirements for brucellosis and a designated surveillance area. The proposed order takes effect Jan. 11. The department held meetings on the proposal around the state in December.

According to a department press release, the order would put into place "a plan for surveillance and monitoring in increased-risk areas after the state's Brucellosis Action Plan sunsets on January 10." The press release noted that the revised surveillance area is smaller than the seven-county area under the action plan. A map of the proposed surveillance area is available at: <http://www.mt.gov/liv/AH/orders/DRAFT%20DSA%20COLOR.PDF>.

A complete agenda and meeting materials are available on the committee webpage at [leg.mt.gov/caic](http://leg.mt.gov/caic). For more information, contact Pat Murdo, committee staff, at [pmurdo@mt.gov](mailto:pmurdo@mt.gov) or 406-444-3594.

## Interim Zoning Sparks Debate at Meeting of Education, Local Govt. Committee

A board of county commissioners determines that an emergency measure is needed to "promote the public health, safety, morals, and general welfare" of local residents. The board establishes interim zoning regulations that will be in effect for a year. (The authority for county interim zoning is found in 76-2-206, MCA). How the local government would go about establishing such regulations and how property owners would get an opportunity to participate in

a proposed district has been the subject of debate among real estate agents, developers, builders, counties, and "smart growth" advocates. In December, key players in that debate participated in a panel discussion before the Education and Local Government Interim Committee.

Before the discussion, LSD staff attorneys briefed the committee members on:

- how other western states treat interim (or emergency) zoning;
- recent Montana Supreme Court decisions on interim zoning disputes (*Fasbender v. Lewis and Clark Co.* and *Liberty Cove, Inc. v. Missoula Co.*);
- an analysis of compensatory takings; and
- an analysis of due process considerations in zoning.

Panel participants each answered questions provided to them in advance of the meeting. Questions included:

- What do you see as the purpose of interim zoning?
- What are a couple examples of emergency situations that you believe should prompt a board of county commissioners to propose an interim zoning district or interim zoning regulations in order to "promote the public health, safety, morals, and general welfare?"
- Do you believe protest should be provided for when an interim zoning district or regulation is proposed? Should it mirror the protest provisions in 76-2-205, MCA, or should there be a different process when a board of county commissioners proposes interim zoning? What should that process be?
- Other than including a protest provision (if you believe one is appropriate), does 76-2-206, MCA, need to be amended? Why?
- If you oppose providing for protest for interim zoning, do you have suggestions for compromise language or suggestions for some form of limited protest or protest with a short time limit?
- Should the criteria for what constitutes an emergency be clarified?

There were areas of agreement among the panelists and possibilities for compromise, but two divergent opinions emerged in responses to the questions about protesting a county's intent to establish interim zoning regulations:

1. Section 76-2-206, MCA, amended in 2009 to include notice and public hearing provisions, should be allowed to work for a few years without additional changes. Including a protest provision for interim zoning would gut the intent and functionality of the law.



2. While the amendments made to 76-2-206, MCA, are a positive step forward, additional measures should be taken to provide potentially affected landowners with the opportunity to protest and delay implementation pending more study, or a unanimous decision by the commissioners should be required to implement interim zoning regulations.

A bill to amend section 76-2-206, MCA, will likely be proposed during the 2011 legislative session. Members of the ELG who return for that session will have plenty of background information on which to base their decisions.

Additional topics covered at ELG's December meeting will be included in the next issue of *The Interim*, and meeting materials will be added to the ELG webpage at [leg.mt.gov/elgic](http://leg.mt.gov/elgic).

The committee's next meeting is scheduled for March 12. For more information, contact Leanne Heisel, committee staff, at 406-444-3593 or [lheisel@mt.gov](mailto:lheisel@mt.gov).

## Education Subcommittee Approves Draft of Shared Policy Goals for K-20 Agencies

HJR 6, enacted this year, urged K-12 education agencies to develop shared policy goals and accountability measures in consultation with the Education and Local Government Interim Committee. SJR 8 urged K-20 education agencies to develop shared policy goals and accountability measures in consultation with the committee.

The Education and Local Government Interim Committee created a Subcommittee on Shared Policy Goals and Accountability Measures, which met in December and heard recommendations on implementing shared goals.

Madalyn Quinlan, of the Office of Public Instruction, and Steve Meloy, of the Board of Public Education, presented the following draft shared policy goals for K-12:

1. Ensure that every student graduates with the knowledge and skills necessary for success in the 21st century global society.
2. Improve teaching and student learning by promoting data-driven policy decisions and increasing access to educational information.
3. Improve student achievement in struggling schools.
4. Increase public awareness of and engagement in the K-12 educational system recognizing the roles and

responsibilities of the state and local educational agencies and the legislature.

Sheila Stearns, Mary Moe, and Tyler Trevor, all of the Office of the Commissioner of Higher Education, along with Quinlan and Meloy, presented the following draft shared policy goals for K-20:

1. Align high school outcomes with college readiness expectations to facilitate the transition from high school to college.
2. Increase participation in college by Montana high school graduates.
3. Expand distance learning opportunities.
4. Utilize K-20 data to improve student access and achievement.

A postsecondary education panel consisting of Stearns, Moe, and Trevor summarized shared policy goals of the 2009 biennium and discussed the Board of Regents' strategic plan.

The subcommittee voted to approve the K-12 and K-20 draft shared policy goals and refer them to the full Education and Local Government Interim Committee for consideration.

## Energy Panel to Hear Public Comment on Final Three Energy Policy Topics

The Energy and Telecommunications Interim Committee is taking public comment on the final three topics it is required to review as part of an analysis of Montana's energy policy and discussion of potential policy revisions.

Senate Bill 290, enacted in 2009, requires the committee to review and potentially revise the state's energy policy. Last September, the committee began the review by asking for public comment on a variety of energy policy topics. In January, the committee will hear public comment on the last three specific issues:

- promoting energy-efficiency incentives;
- promoting conservation; and
- increasing energy-efficiency standards for new construction.

The committee will meet Thursday, Jan. 14, at 8 a.m. in Room 102 of the State Capitol to focus on these three topics.

Representatives of the Northwest Power and Conservation Council will discuss how improved energy efficiency reduced demand for electricity in the Northwest in 2008 by an

amount equal to the power used by about 148,000 homes. The council recently released the Draft Sixth Northwest Power Plan, which projects that 58 percent of new demand for electricity over the next five years could be met with energy efficiency.

Jim Baerg, with Montana Energy + Design; Bryan von Lossberg, with Commons Link; and Eric Edelen, with Bluestone Technologies, will discuss energy efficiency and conservation, including the use of “smart meters” to obtain data about energy use.

A related panel discussion will focus on Montana building codes and recent efforts to adopt a new energy code. The panel will include representatives of the Department of Labor and Industry, the Department of Environmental Quality, the Montana Building Industry Association, and private builders.

The committee will follow up on energy policy points raised in November, including coal-fired energy generation, alternative energy systems, and electricity rates. After discussing those policy areas, members will decide which deserve further consideration.

The ETIC also will consider federal efforts to track and potentially regulate CO2 emissions. The committee will hear about rulemaking by the federal Environmental Protection Agency and how the state Department of Environmental Quality is responding to the federal rules.

For more information on the ETIC’s energy policy development or the committee in general, contact Sonja Nowakowski, committee staff, at [snowakowski@mt.gov](mailto:snowakowski@mt.gov) or 406-444-3078.

## Audit Committee to Meet March 2-3

The Legislative Audit Committee is scheduled to meet March 2-3 at the Capitol. When available, the agenda will be posted on the legislative website at [leg.mt.gov/audit](http://leg.mt.gov/audit). Below is a list of legislative audits in progress:

### Financial Audits

Statewide (audited General Fund balance); State Fund; Federal Single Audit (federal compliance and questioned costs); University of Montana; Montana State University; Board of Investments; Public Employees’ Retirement Board; and Teachers’ Retirement System

### Information Systems Audits

Achievement in Montana; Banner (MSU and UM); Disaster recovery (statewide); IT project management; Montana Interactive; and Statewide Accounting, Budgeting, and Human Resources System

### Performance Audits

Brand re-record; Contract management (Corrections); Fuel card purchasing; Medicaid Community Services; Insure Montana; State publishing policy; Tow truck rotational system; and Water rights adjudication

### Contracted Audits

Lottery (financial, cash drawings, and observation); Worker’s Compensation Program (Montana University System); Medical Legal Panel; Flathead Community College; Miles Community College; Legislative Branch (excluding Consumer Counsel); and Consumer Counsel

For more information about the Legislative Audit Committee or the Legislative Auditor, call 406-444-3122 or go to [leg.mt.gov/audit](http://leg.mt.gov/audit). To report improper acts committed by state agencies, departments, or employees, call the LAD fraud hotline at 800-222-4446 or 444-4446 (in Helena).

## Strategic Planning, Legislative Training Highlight December Council Meeting

The Legislative Council met in mid-December to continue work on strategic planning related to legislative space and the Capitol complex. The council directed the Legislative Space Subcommittee to work on options to improve communications, discuss a process for future planning, and be more active in long-range planning.

The council agreed to co-sponsor with the Legislative Finance Committee a mid-interim training session for legislators on federal stimulus funding and the state’s budget outlook. The council will coordinate with the finance committee and other interim committees to meet during the first week of March. Legislators will learn about the budget process and potential challenges that will face the 2011 Legislature. (See related coverage on p. 3.)

The council’s Rules Subcommittee and Legislative Management and Succession Planning Subcommittee also met in December. The Rules Subcommittee is working on changes to legislative rules to make them easier to use and understand. Proposed changes will be available on the

legislative website. The subcommittee welcomes comments on the proposed changes.

The Succession Planning Subcommittee discussed efforts by the Legislative Services Division to plan for the retirement of senior staff members.

The Legislative Council will next meet March 1-2. Council subcommittees will also meet March 1. For more information or to view agendas, minutes, and meeting materials, visit the Legislative Council website at [leg.mt.gov/legcouncil](http://leg.mt.gov/legcouncil), or contact Susan Byorth Fox at 406-444-3066 or [sfox@mt.gov](mailto:sfox@mt.gov).

## Finance Committee Hears about Variety of Issues, Including 'Glum' Revenue Update

The Legislative Finance Committee met Dec. 3-4. The agenda and meeting reports are on the Legislative Fiscal Division website at [leg.mt.gov/fiscal](http://leg.mt.gov/fiscal). For more information, contact Amy Carlson, Legislative Fiscal Auditor, at [acarlson@mt.gov](mailto:acarlson@mt.gov) or any other LFD staff member at 406-444-2986. Some of the key discussions of the meeting are summarized below.

### General Fund Status Report

General fund revenue collections through November are showing further weakness when compared to the revenue estimates used by the 61st Legislature for FY 2010. Individual income tax collections are lagging the HJR 2 revenue estimates more each month. Based on these trends, individual income tax collections could be below the HJR 2 estimate by \$108 million for FY 2010.

Corporation income tax collections improved somewhat by the end of November. Based on these trends, corporation income tax could be below the HJR 2 estimate by \$29 million for FY 2010.

Total general fund revenues could be below the revenue estimate for FY 2010 by \$122 million. Combined with recent economic and tax return data, FY 2011 general fund revenues could also be below the revenue estimate by \$121 million. The total general fund biennium revenue shortfall could be \$243 million, or about 6.7 percent of the HJR 2 revenue estimates.

Last session, the Legislature adopted a higher general fund ending fund balance for the 2011 biennium (\$282.4 million)

in the event of revenue shortfalls. The potential shortfalls discussed above would decrease this projected balance to \$44.4 million. Under the provisions of 17-7-140, MCA, the statutory ending fund balance "floor" is computed to be \$36.4 million. As specified in this statute, "the chief budget officer of the state (governor) shall ensure that the expenditure of appropriations does not exceed available revenue." If the projected general fund deficit (as computed by the executive) falls below the budget "floor," the executive is required to submit proposed spending reductions to the Legislative Finance Committee for its review and possible recommendations. After review of all recommendations, the governor determines the final reductions in agency spending.

The projected balance of \$44.4 is only \$8.0 million above the statutory trigger amount of \$36.4 million. However, the statute requires the executive to determine the "projected general fund deficit." If the executive does project a deficit, then the Revenue and Transportation Interim Committee, LFD staff, and LFC will be required to adjust work plans to fulfill the statutory requirements of 17-7-140, MCA. For further information, contact Terry Johnson at [tjohnson@mt.gov](mailto:tjohnson@mt.gov) or 406-444-2952.

### Regional Development Centers Closed

The Montana Department of Commerce terminated the operations of its Regional Development Offices as of Dec. 31. The Regional Development Offices are part of the Montana Finance Information Center, which is a program within the Department of Commerce. The primary purpose of the program is to provide technical assistance to businesses for obtaining financing for start-ups, expansions, business locations from out of state, and retention projects.

The Regional Development Offices served as a conduit for parties involved with economic development within the state, including businesses, local development organizations, local governments, banks, federal agencies, and various state agencies. In 2003, the Legislature created the Certified Regional Economic Development Corporation (CRDC) program and, since that time, a number of the functions of the RDOs have been progressively duplicated by the CRDCs.

Tony Preite, director of the Department of Commerce, said that closing the offices has nothing to do with the performance of their employees. Preite said there may be other employment opportunities within the department, and he hopes the employees apply for those positions. For more

information, contact Matt Stayner at [mstayner@mt.gov](mailto:mstayner@mt.gov) or 406-444-5834.

### **Public Retirement Unfunded Liability**

Staff reported on the most recent actuarial valuations of the state's nine "defined benefits" public retirement plans. Actuarial valuations for the fiscal year ending June 30, 2009, show that four plans are not actuarially sound as required by the Montana Constitution and state law. The valuations are snapshots in time, and the asset values have improved since June 30. However, the retirement plans have a long way to go to get back to their highest level.

Actuarial valuations include a "smoothing" technique that spreads gains or losses over a four-year period. Therefore, there are significant losses from 2009 that have not been recognized yet. The report shows key data from the valuations and certain data from valuations of the previous three years for comparison purposes. For more information, contact Jon Moe at [jonmoe@mt.gov](mailto:jonmoe@mt.gov) or 406-444-4581.

### **Montana State Fund Old Fund Status**

The cost to the state general fund of the unfunded liability for the workers' compensation old fund is estimated to be \$57.8 million between FY 2011 and FY 2048. This amount includes \$45.5 million for the FY 2009 unfunded liability and \$12.3 million of additional general fund due to the unrealized annual investment yield of 3.5 percent.

In FY 2011, \$4.1 million in general funds will need to be transferred to the Montana State Fund to pay costs of benefits and administration. The 2009 Legislature had estimated that \$760,000 would need to be transferred to the fund in FY 2011. For further information, contact Kris Wilkinson at [kwilkinson@mt.gov](mailto:kwilkinson@mt.gov) or (406) 444-2722.

### **State Parks Funding Shortfall**

The Legislative Finance Committee discussed the fiscal health of the state park system. The Department of Fish, Wildlife, and Parks manages 54 parks with revenue from the light-vehicle registration fee, a portion of the bed tax, some coal tax revenues, motorboat fuel revenues, and earned income from park activities such as tours and camping fees.

As the department has purchased additional lands with Access Montana funds, the ability to operate and maintain the parks at the level expected by the public is now a greater

challenge. The committee asked its staff to work with FWP to determine what could be done to assist the department in improving the situation. The committee will receive recommendations at its March or June 2010 meeting. For additional information, contact Barb Smith at [basmith@mt.gov](mailto:basmith@mt.gov) or (406) 444-5347.

### **Proposed New Cabin Lease Rate**

The lease rate for cabin sites established on state trust lands is re-evaluated in conjunction with the Department of Revenue cyclical property reappraisal. Over the past few months, leaseholders and representatives from the Department of Natural Resources and Conservation and the Land Board have discussed options to calculate lease rates. A recent decision by the Land Board to implement rules on one alternative has raised questions regarding the fiduciary responsibility of the board to obtain fair market value. The LFC reviewed a report on the new formula and was advised of potential issues with this formula.

Lease rates were set at 3.5 percent until 1999, when the Montanans for Responsible Use of the School Trust (MonTrust) challenged the lease rate on the basis that the rate did not achieve fair market value for the beneficiaries. The Supreme Court ruled in favor of MonTrust and concluded that the lease rate "violates the trust's requirements that full market value be obtained...." DNRC subsequently established a lease rental rate of 5 percent of the appraised value of the cabin sites and allowed for the rate to be phased in over time.

Due to the increase in property values and concerns voiced by leaseholders, DNRC established a new calculation. The base of the lease cost is the 2003 DOR value projected to 2009 at 6.53 percent annually. The 6.53 percent represents the average annual real estate appraisal rate from 1983 to 2003. It is not reflective of actual property valuation by the DOR. Therefore, a property with a 2003 DOR value of \$100,000 is indexed to a 2009 value of \$146,141. This would be the base value to calculate the lease cost.

The base rent is calculated as 5 percent of the adjusted 2009 parcel value. This base rent would apply in 2010; rent in subsequent years would be calculated to increase annually by the latest Lease Fee Index (LFI). The LFI is the average of two numbers: (1) the average annual real estate appreciation rate (REI) for the last 25 years; and (2) the annual change in the consumer price index (CPI). The annual LFI adjustment



would be no greater than 6.5 percent and no less than 3.25 percent.

The REI will be recalculated after every reappraisal cycle (currently a six-year cycle). However, the change in the CPI will be updated annually. Thus, the LFI will change every year. In 2025, the contract rent based on the LFI system will be compared to 5 percent of the most recent DOR reappraisal value. If contract rent is either more than 15 percent above the appraisal-based amount or more than 15 percent below the appraisal-based amount, the contract rent will be adjusted to fall within that 15 percent margin.

The LFC decided to work jointly with the Environmental Quality Council to provide comments on the proposed leasing rules once they are released. Those rules are expected to be available in early 2010. For additional information, contact Barb Smith at [basmith@mt.gov](mailto:basmith@mt.gov) or (406) 444-5347.

### **2009 Wildfire Season, Costs Update**

The 2009 major wildfire season has come to a close. As of Oct. 30, the state Department of Natural Resources and Conservation had responded to 350 fires, which burned 6,826 acres. The agency provided direct protection for 343 fires and assistance for seven county fires. The initial attack rate, or the percentage of fires contained at ten acres or less, was 98.5 percent. To achieve this rate, 463.3 hours were flown in DNRC aircraft and 1.24 million gallons of water were delivered with DNRC helicopters. DNRC also provided mutual-aid assistance on 79 county-managed incidents.

Fire costs are based on estimated fire costs and costs that have already been paid. As of Nov. 16, fire costs were estimated at \$5.8 million with \$850,000 in reimbursements from other parties, resulting in a state share of approximately \$5 million. After payment of the state share, the fire fund has an estimated balance of \$27.7 million. For more information, contact Barb Smith at [basmith@mt.gov](mailto:basmith@mt.gov) or 406-444-5347.

### **DPHHS Work Plan to Evaluate Budget Reductions**

The LFC reviewed information about the Department of Public Health and Human Services budget reduction work plan required by HB 676. The legislation required DPHHS to identify changes necessary to reduce its 2013 biennium expenditures to the level funded in the general appropriations act.

The department may include changes such as reducing

administrative costs, developing more cost-efficient methods to deliver services, limiting the number of Medicaid services that adults may receive, changing services offered under the Montana Medicaid state plan, changing eligibility or level-of-care requirements for Medicaid waiver services, limiting or changing services that are fully state-funded, or implementing other initiatives that reduce state funds.

Achieving the necessary general fund reduction in the 2013 biennium budget request may not include shifting costs to state special revenue funds. So far, DPHHS has implemented travel reductions and hiring restrictions. For more information, contact Lois Steinbeck at [lsteinbeck@mt.gov](mailto:lsteinbeck@mt.gov) or (406) 444-5391.

### **Corrections Population Projections**

The LFC performance measurement work group for the Judicial Branch, Law Enforcement, and Justice reviewed a report on the average daily population (ADP) of the Department of Corrections. At the end of the first quarter of FY 2010 (July-September 2010), the overall ADP has decreased slightly (0.1 percent) when compared to ADP for FY 2009. This change reflects increases in male prison beds and alternatives to prison that are offset by decreases in county jail holds and probation and parole caseloads. Additionally, capacity at the Montana Women's Prison is being increased because the usage of beds previously designated as Intensive Challenge Program beds is being changed.

While the actual ADP for the first quarter of FY 2010 reflects no overall growth, the department projects that the overall FY 2010 ADP will exceed the FY 2009 ADP by 3.3 percent. The department's population management plan (actual and projected ADP) may be found online at: <http://www.cor.mt.gov/content/Resources/Reports/population.pdf>. For additional information, contact Pat Gervais at [pagervais@mt.gov](mailto:pagervais@mt.gov) or 406-444-2952.

### **MERLIN System Update**

The LFC performance measurement work group for the Judicial Branch, Law Enforcement, and Justice heard a report on the implementation of the Montana Enhanced Registration and Licensing Information Network. MERLIN is an online system of providing motor vehicle and driver licensing services. Three areas of the MERLIN system were reviewed:

- Titling and registration: The Department of Justice provided charts illustrating title and registration workload

over the past several months. These charts showed that the DOJ is making progress in resolving backlogs.

- **Printers:** Because of several computer printer problems, the printer manufacture has agreed to replace all county printers in the near future.
- **Interface with state accounting system:** Revenue from vehicle registration is being recorded on the state accounting system in a “clearing account,” but distribution to the general fund and other funds has been delayed. Legislative Fiscal Division staff has been using estimates of how this revenue will be allocated in preparing revenue estimates while allocation of these funds by the department is pending. DOJ staff said the process of allocation of revenue from this “clearing account” to the applicable accounts would be current by Dec. 31, 2009.

Dick Clark, chief information officer, Department of Administration, reported that the MERLIN project is ranked in a cautionary status. However, both Clark and DOJ staff believe that implementation problems will be stabilized and the project moved to a favorable status early in 2010. The Department of Justice’s performance measurement report and Clark’s report are on the Legislative Fiscal Division website. For additional information, contact Pat Gervais at [pagervais@mt.gov](mailto:pagervais@mt.gov) or 406-444-2952.

## Uninsured Motorists, Property Taxes, Revenue Collections Occupy RTIC

Uninsured motorists, property-tax circuit breakers, property reappraisal, and lagging state revenue collections were a few of the topics that occupied the Revenue and Transportation Interim Committee during a two-day meeting in early December. Reports and other documents presented at the meeting are on the committee webpage at [leg.mt.gov/rtic](http://leg.mt.gov/rtic).

The meeting began with a panel discussion on the SJR 16 study by the committee of uninsured and underinsured motorists. The purpose of the study is to look at ways to deal with drivers who don’t purchase liability insurance or who don’t have enough liability insurance in the event of an accident for which they are at fault.

In a PowerPoint presentation, Mari Kindberg, rates bureau chief with the State Insurance Commissioner, said that the Insurance Research Council estimates that 15 percent of drivers in Montana were uninsured in 2007. That is up from

an estimated 12 percent in 2004. In 2007, the percentage of uninsured drivers across the country ranged from 1 percent in Massachusetts to 29 percent in New Mexico.

Kindberg said that unemployment rates, poverty levels, insurance premium costs, and the effectiveness of law enforcement may affect the number of people driving without insurance. The concern is how to deal with drivers who cannot afford to buy insurance.

Patrick Butler, insurance project director with the National Organization for Women, offered one solution to help drivers afford motor vehicle liability insurance. According to Butler, mandatory liability insurance laws force drivers to economize by driving fewer cars more miles, with the adverse effect of increasing insurance premiums on the remaining car or cars.

One way around this problem, Butler said, would be to offer liability insurance that is priced based on the number of miles driven. The mileage charge would be based on the vehicle’s risk class (e.g., by territory, vehicle type, driver age, and vehicle use) and would be paid in advance. An odometer reading would be included on the insurance card and would indicate whether the insurance was current.

Jacqueline Lenmark, of the American Insurance Association, told the committee that it should distinguish between people who choose not to obey the liability insurance laws and those who cannot afford insurance. In particular, those in the latter category should not face criminal penalties for not being able to afford insurance, she said.

She also briefly discussed the types of insurance coverage in other states and potential disadvantages of no-fault insurance (may cause drivers to be less careful) and insurance by the mile (long driving distances in Montana and a lack of public transportation). She also recommended that the committee look at ways to reduce insurance premium costs related to duplicate coverage and stacking laws where insurance payments can be added to a vehicle involved in an accident when the insured party owns more than one vehicle. She also suggested looking at the cost-effectiveness of purchasing uninsured motorist coverage.

## Property-Tax Circuit Breakers

The Lincoln Institute of Land Policy has determined that 33 states and the District of Columbia provide property-tax

relief through some type of property-tax circuit breaker. Property-tax circuit breakers act much like electrical circuit breakers that stop current from overloading circuits: they prevent taxpayers from being overburdened by property taxes. Property-tax circuit breakers generally provide targeted property-tax relief that declines as income rises.

Committee staff presented a report that described the different types of circuit breakers, their advantages and disadvantages, and the kinds of taxpayers who may benefit from them. The report also described the circuit breakers available in Montana, including the property-tax assistance program, the disabled veterans program, and the elderly homeowner and renter property-tax credit.

The committee decided that it wanted to look at the effects of various proposals to revise or expand the state's circuit breaker program. One proposal would be to combine all the programs, including the extended property-tax relief program, into a multiple threshold program. Another would be to look at expanding the income thresholds for existing programs.

### **Glum Revenue Outlook**

The HJR 2 revenue-estimating resolution showed that estimated revenue collections in fiscal year 2010 are likely to be slightly below estimated fiscal year 2009 collections. Terry Johnson, principal fiscal analyst, Legislative Fiscal Division, said that revenue collections through the first five months of the current fiscal year are \$128.1 million, or 23.9 percent below collections in the previous fiscal year. (See p. 7 for additional coverage on revenue collections.)

The lagging revenue collections have reduced the projected ending general fund balance for the 2011 biennium from \$282.4 million to \$44.4 million. Johnson said that if the projected ending fund balance falls to \$36.4 million by next September, the governor's budget director would be required to submit state spending reduction proposals to the Legislative Finance Committee for recommendations.

The budget director is also required to notify the Revenue and Transportation Committee if actual or projected revenue collections are below the amount contained in the revenue estimating resolution. The committee is required to make recommendations to the budget director on the amount. The committee will likely ask the budget director to provide his assessment of revenue collections at the February meeting.

### **Property Reappraisal Sparks Lively Discussions**

Dan Bucks, director of the state Department of Revenue, told the committee that a sample sales ratio study showed that 2009 reappraisal values of residential property are within 2.5 percent of market value. Bucks said the study demonstrated that the reappraisal of residential property meets the quality standards established by the International Association of Assessing Officers. Some people at the meeting suggested that the department also analyze the reappraisal of agricultural and commercial land.

Bucks also told the committee that the department had received 37,029 requests for an informal review (AB 26 review) of property reappraisal values. Residential property owners accounted for 61.8 percent of the requests, commercial property owners, 10.4 percent, and agricultural land and forest land owners, 27.1 percent. The department has not completed the informal reviews for each class of property. A taxpayer who is dissatisfied with the department's decision may submit the dispute to the county tax appeal board.

The committee also heard from residential, commercial, and agricultural property owners and from local government representatives on the effects of new property values from the latest reappraisal of these properties. Public comment included concerns about large increases in the market value of some residential property, the phase-in of agricultural property based on a change in use, the methods used to revalue agricultural property, and the capitalization rate used to determine the market value of commercial property.

Harold Blattie, of the Montana Association of Counties, said mill levies are based on certified taxable values provided by the department. Significant adjustments to reappraisal values made by the department could reduce property-tax collections this year and in subsequent years.

The committee decided to create work groups to deal with the complex issues raised during the meeting.

### **Other Topics**

Other topics considered by the committee included:

- the advantages and disadvantages of and obstacles to generally requiring married taxpayers to file joint state income-tax returns;
- a report on the taxation of oil and natural gas property; and
- a report on rail passenger service in Montana.

The committee will next meet Feb. 18-19 in Room 137 of the Capitol. An agenda and meeting materials will be posted to the committee webpage at [leg.mt.gov/rtic](http://leg.mt.gov/rtic) when available. For more information, contact Jeff Martin, committee staff, at 406-444-3595 or [jmartin@mt.gov](mailto:jmartin@mt.gov).

## SAVA Reviews Veterans' Affairs Topics, Public Retirement Systems in December

At a December meeting, the State Administration and Veterans' Affairs Interim Committee reviewed topics of interest to Montana veterans and citizens serving in the military.

Brig. Gen. Bradley Livingston, of the Montana Air National Guard, summarized several roundtable events held on Veterans Day in Great Falls. Roundtable participants discussed a variety of topics, including multiple, extended tours of duty served by many Montanans who are deployed or have been deployed to Iraq and Afghanistan; the increase in suicides among these veterans; backlogs for claims for services, including education benefits; a brief summary of the vet-to-vet peer program; and employment options for returning veterans.

Staff of each member of the Montana congressional delegation described recent and pending legislation in Congress that would improve the care for military personnel before and after deployment, as well as for veterans in rural areas of the state.

The committee revised and adopted the Principles and Guidelines for Public Employee Retirement Systems, as required by 5-5-228, MCA. The committee also examined the current makeup and status of several of the smaller statewide retirement systems. HB 659 directed the committee to examine changes to all of the retirement systems administered by the Public Employees' Retirement Board, including those covering firefighters, game wardens and peace officers, highway patrol officers, municipal police officers, sheriffs, judges, and volunteer firefighters.

The committee tentatively adopted draft language for the request-for-proposal it is going to issue to contract with a plan-design consultant to help suggest changes to the Teachers' Retirement System and the Public Employees' Retirement System. SAVA hopes to hire a consultant before its next meeting March 3.

Finally, the committee reviewed the legal issues surrounding any modification of the retirement contract provisions for current retirement system members and retirees.

The committee plans to meet by conference call before its March 3 meeting, to hear the results of the RFP process. Agendas and materials for both meetings will be posted to the committee webpage, [leg.mt.gov/sava](http://leg.mt.gov/sava), when available.

For more information, contact committee staff Rachel Weiss at [rweiss@mt.gov](mailto:rweiss@mt.gov) or 406-444-5367.

## Water Committee to Discuss Controversial Exempt Wells, Coal-bed Methane Wells

Over the past decade, two groundwater topics have generated much debate in Montana. One is a provision in law that allows an exemption for small wells. The other is how to manage the water produced by coal-bed methane wells. The Water Policy Committee will examine both of these issues at a meeting Jan. 13-14.

For as long as Montana has required permits for new water uses, the law has included an exemption from that process for small wells. There are reasons for an exemption. Some believe access to water is a fundamental human right. Others say that evaluating small wells could clog up the permitting process. And in rural areas, a small well may be the only source of potable water.

In Montana and other western states, the exemption means that a limited use of ground water is not subject to the criteria needed for a permit. Other water users may not object to the well. The original Montana exemption covered wells that produced less than 100 gallons per minute. It was later changed to not more than 35 gallons per minute and 10 acre-feet a year.

Other states are debating the use of small wells, too. The Western States Water Council acknowledges that compared to irrigation, municipal, and industrial uses, domestic wells are the least consumptive. However, an increase in new subdivision residents who rely on such wells, combined with drought, may add stress to water supplies, a report from the council said.

There are more than 109,000 exempt wells in Montana. About a quarter of those wells are located in one of the five major river basins closed to further water appropriation.



The WPIC also will discuss coal-bed methane, which is a form of natural gas found within coal seams. There are a limited number of CBM wells in Montana now, but it is possible that thousands could be drilled in coming years.

To extract CBM from a coal seam, ground water is removed to lower the pressure and release the gas. Water production is higher in the initial stages of production, and it decreases as more methane is released. Some people are concerned about

how to manage the water, given its quality and the amount that is extracted.

The Water Policy Interim Committee will discuss these topics Wednesday and Thursday, Jan.13-14, beginning at 9 a.m. in Room 152 of the Capitol.

For more information, contact Joe Kolman at 406-444-9280 or jkolman@mt.gov. Or visit the committee webpage at leg.mt.gov/water.

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## What Does 'Separation of Powers' Really Mean?

The Montana Constitution provides for three distinct branches of state government: legislative, executive, and judicial. It prohibits one branch from exercising the power of



the other branches, except when the constitution expressly directs or permits this exercise of power. This concept is referred to as "separation of powers."

In Montana, the separation of powers doctrine is explicitly provided for in Article III, section 1, of the Montana Constitution.

The general rule in Montana is that the constitution is a limit on, rather than a grant of, legislative authority.<sup>1</sup> Under this general rule, the Legislature is free to act in any lawful manner in any area that is not constitutionally restricted. Each individual legislator is able to bring forward any proposal that the legislator chooses to pursue. However, statutes are effective only to the extent that they do not violate the U.S. or Montana Constitutions.

The Judicial Branch has the authority to declare invalid the actions of coordinate branches of government, including the Legislature. That principle of law is firmly entrenched under the analysis contained in *Marbury v. Madison*, 5 U.S. 137 (1803), and that holding remains a cornerstone of our system of government. The Marbury decision also embodies the principle that a judicial determination of an unconstitutional legislative action renders the legislative action unenforceable.

There are judicial decisions in Montana that are based upon the separation of powers doctrine contained in Article III, section 1, of the 1972 Montana Constitution and carried

forward from Article IV, section 1, of the 1889 Montana Constitution. The Montana Supreme Court has stated that the purpose of the separation of powers doctrine is to constitute each branch as an exclusive trustee of the power vested in it, accountable to the people alone for its faithful exercise, so that each may act as a check upon the other and may prevent the tyranny and oppression that would be the result of a lodgment of all power in the hands of one body.<sup>2</sup> In *Mills v. Porter*, 69 Mont. 325, 222 P. 428 (1924), the Montana Supreme Court articulated the general rule that the powers of state government are reposed in three departments. If a power is reposed in one department, the other two may not encroach upon or exercise that power, except as expressly directed or permitted in the constitution. However, the separation of the government into three branches does not mean there may be no common link of connection or dependence – only that the powers properly belonging to

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*"The separation of powers doctrine... is a good thing, intended to prevent the tyranny of any one branch and to protect the rights of all citizens."*

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one may not be exercised by the others.<sup>3</sup> The separation of powers between the Legislative and Judicial Branches has also been construed. What is often characterized by the Legislative Branch as judicial activism is viewed by the Judicial Branch as judicial independence. Judicial independence is protected by provisions such as Article VII, section 7, of the Montana Constitution, which establishes terms of office for judges and

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1 State ex rel. Evans v. Stewart, 53 Mont. 18, 161 P. 309 (1916), and State ex rel. DuFresne v. Leslie, 100 Mont. 449, 50 P.2d 959 (1935)

2 State ex rel. Smith v. District Court, 50 Mont. 134, 145 P. 721 (1914)

3 State ex rel. Hillis v. Sullivan, 48 Mont. 320, 137 P. 392 (1913)

provides that judicial salaries may not be diminished during a term of office.

Under the separation of powers doctrine, the Legislative Branch is without constitutional authority to limit the Judicial Branch in respect to when it shall hear or determine any cause of action within its lawful jurisdiction. In *Coate v. Ombolt*, 203 Mont. 488, 662 P.2d 591, 40 St. Rep. 586 (1983), the Supreme Court struck down a statute that restricted a judge's pay if decisions were not rendered within statutorily prescribed periods. The Court held that the time limits within which judicial decisions must be rendered were a sphere of activity so fundamental and necessary to a court that to divest it of its absolute control would be to make

meaningless the very phrase "judicial power." However, a statute dealing with disqualification of judges did not violate the separation of powers provision in that it did not impinge upon the existence or supremacy of the judicial system or alter its jurisdiction or duties, but was a reasonable manner of providing a fair trial for all litigants.<sup>4</sup> Although the separation of powers doctrine by its very nature creates tension between the branches of government, the provision is a good thing, intended to prevent the tyranny of any one branch and to protect the rights of all citizens.

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<sup>4</sup> State ex rel. Peery v. District Court, 145 Mont. 287, 400 P.2d 648 (1965)

## The Back Page

## Reflections on 25 Years as a Legislative Staffer

By Clayton Schenck

Nearly 25 years ago, I accepted a position with the Office of the Legislative Fiscal Analyst, with the intent of staying a few years and then moving on. But I caught the bug and developed a strong passion for the legislative process, the institution, and public service. In 1993, I was offered the position of Legislative Fiscal Analyst. It has been an honor and privilege to be entrusted with this position for so many years, and I am indebted to the Legislature for giving me this opportunity.

I cannot imagine a better way to finish my career. While challenging, stressful, and often frustrating, it was an extremely rewarding opportunity, and I enjoyed it immensely. Part of what made it so rewarding is the high caliber of legislators I have had the pleasure to work with over the years. I have always admired the dedication and passion of legislators to their role as representatives of the citizens of Montana. They represent their constituents well.

The Legislature has attracted a staff that is equally passionate about the legislative institution it serves, and they have been dedicated to the Legislature through good and bad times. Prior to the 1960s, the Legislature had no permanent staff and was completely dependent on the executive branch for all information during legislative sessions. The addition of permanent nonpartisan staff for a part-time Legislature gave the institution a full-time presence in state government and access to independent analysis and information. It put the Legislature in a much stronger position to make informed and independent decisions on the priorities and policies of state government. Term limits have made the role of staff even more essential, and it has responded well, with a commitment to assisting legislators as the keeper of institutional memory and assisting in rapid orientation of legislators for a challenging and dynamic task.

The Legislature as a whole has shown strong support and respect for the role and work of its staff, which is critical for the ability of staff to fulfill its responsibilities.

With respect to the legislative budget process, I invoke the memory of legislators like Rep. Francis Bardanoue, who worked diligently for several biennia to create the Legislative

Finance Committee and the position of Legislative Fiscal Analyst. He nurtured the development of the Legislature into a strong steward of its constitutional obligation as the sole appropriation authority for state government.

Another example of the commitment of legislators to the role of staff is former Rep. John Cobb, who led an effort to prevent the elimination of the Legislative Fiscal Division.

*Clayton Schenck*

Cobb paid a price for his actions, but it was the beginning of my deep respect for him and his integrity. Many other legislators over the years have also shown strong support for the role of staff that has contributed to the strength of the Legislature in a state where the Legislature is constitutionally among the weakest in the nation compared to the office of governor. It becomes a matter of a reasonable “balance” of power, and the

Legislature has worked arduously to maintain as much of a balance as is possible under such circumstances.

Over the years, I have seen many improvements in the legislative process, particularly in the role of the Legislature as the state’s appropriation authority. Budget decisions have gone from merely costing out office supplies and equipment for state agencies to program-based evaluations.

With advances in information technology, legislators have much better information and analyses for making informed decisions on budget priorities.

Legislators have had a wild ride over the past 20 years, with a budget that has gone from flush to devastating deficits in a cyclical fashion. They have shown a strong discipline in developing a firm commitment to a structurally balanced general fund budget and adequate fund balance reserves.

The Legislature is now on the verge of what I see as the most significant advance in budgeting in many years. The advent of performance-based budgeting (performance measurements) gives both the Legislature and executive branch agencies a

much better way to develop information for measuring the relative value and success of competing programs and the ability to better prioritize them based on their relative merits and cost effectiveness. The Legislature will finally have a means for measuring the efficiency and success of programs.

Performance-based budgeting has become the standard for government budgeting nationwide. Although most states have seen this budget method imposed by the executive branch, it has been a legislative initiative in Montana. Some resistance to this new way of budgeting has occurred in all states, but the Legislative Finance Committee has been

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*“Legislators are the strongest link to the citizens of Montana, and they have done so much over the years to defend and protect the public interest.”*

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working over several interims to make performance-based budgeting a reality. It will bring a new level of transparency and accountability to the appropriations process and management of state programs and budgets.

Legislators are the strongest link to the citizens of Montana, and they have done so much over the years to defend and protect the public interest. Yet they are traditionally the whipping boy of everyone, and it bothers me that they do not get the credit they deserve. Too often, the critics of the Legislature are the only voices that are heard. But the Legislature has a valuable new resource in the public information officer. I encourage the Legislature to use this resource to tell its own story to counter the sometimes unfortunate spin of politically motivated interests.

The legislative institution has been blessed with good stewards over the past several years, and legislators have served their citizens well. And while so much progress has been made, there are two concerns that I have as I leave that I feel obligated to pass on to you for consideration. They are meant in the spirit of constructively examining ways to further improve the legislative institution and protect the rights of citizens.

Access to information is without question the most important resource the Legislature needs. Information is power, and the Legislature and its staff have a clear statutory and constitutional right to data and information about

government processes and activity. All administrations have been reluctant to share information with Legislatures, but they ultimately recognize the obligation and value of providing that information. Over the years, I have had much support from legislators when information is not forthcoming from the executive branch. I have worked in good faith with agency personnel to be up front and fair in my proceedings and to resolve problems at the lowest level. I take pride in my ability to bring parties together and build consensus. I encourage the Legislature to stand firm in defense of its right to information and to support staff when all other efforts are exhausted and they request your support and assistance.

The culture of state government bureaucracy has been to show a strong deference to legislators and staff who request information on their behalf. I am concerned about resistance to expressions of legislative authority; I encourage legislators as stewards of the legislative institution to give careful thought to this issue and to consistently uphold the role of the Legislature.

My second concern is my perception that a strong commitment to keeping politics and political pressure out of the staff arena has eroded in recent years. It is not staff's role to comment on the politics of the legislative process with regard to policy decisions, but it is staff's role and obligation to ensure that the legislative process is not compromised with untoward political pressure and gamesmanship. For many legislative staff, the politics of the 2007 session were demoralizing, but the response of leadership in the 2009 session to restore civility and decorum was refreshing and re-energized staff. I encourage legislators to be vigilant in ensuring that the legislative process and staff are not compromised.

I have treasured the job of legislative fiscal analyst but look forward to turning to other priorities such as grandchildren and enjoying the great Montana outdoors. I leave feeling good about turning the job over to the capable hands of Amy Carlson. I believe I have remained true to my convictions and sense of propriety and have been blessed with an incredible staff that will carry forward with a strong commitment to the legislative process. Any success I have had is to the credit of a dedicated staff and a supportive legislative body. It is time for someone with a new perspective and creativity.

I am proud that I am leaving an organization that can do just fine without me. Again, thank you for entrusting me with this responsibility. I will miss you all.



# Directory of Legislative Administrative & Interim Committees

## Legislative Audit Committee

**Chair:** Sen. Mitch Tropila, D-Great Falls  
**Vice Chair:** Rep. Dee Brown, R-Hungry Horse  
**Secretary:** Rep. Bill Wilson, D-Great Falls  
 Sen. Greg Barkus, R-Kalispell  
 Sen. John Brenden, R-Scobey  
 Sen. Taylor Brown, R-Huntley  
 Sen. Mike Cooney, D-Helena  
 Rep. Betsy Hands, D-Missoula  
 Sen. Cliff Larsen, D-Missoula  
 Rep. Scott Mendenhall, R-Clancy  
 Rep. Carolyn Pease-Lopez, D-Billings  
 Rep. Wayne Stahl, R-Saco



*Tropila*

## Legislative Council

**Chair:** Rep. Dennis Himmelberger, R-Billings  
**Vice Chair:** Sen. Carol Williams, D-Missoula  
 Rep. Bob Bergren, D-Havre  
 Sen. John Brueggeman, R-Polson  
 Rep. Margaret Campbell, D-Poplar  
 Sen. Jeff Essmann, R-Billings  
 Sen. Jesse Laslovich, D-Anaconda  
 Rep. Tom McGillvray, R-Billings  
 Rep. Jesse O'Hara, R-Great Falls  
 Rep. Mike Phillips, D-Bozeman  
 Sen. Bob Story, R-Park City  
 Sen. David Wanzenried, D-Missoula



*Himmelberger*

## Legislative Finance Committee

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**Vice Chair:** Sen. Carol Williams, D-Missoula  
**Secretary:** Rep. Janna Taylor, R-Dayton  
 Sen. Keith Bales, R-Otter  
 Sen. Steve Gallus, D-Butte  
 Rep. William Glaser, R-Huntley  
 Rep. Cynthia Hiner, D-Deer Lodge  
 Rep. Galen Hollenbaugh, D-Helena  
 Sen. Dave Lewis, R-Helena  
 Sen. Rick Ripley, R-Wolf Creek  
 Rep. Jon Sesso, D-Butte  
 Sen. David Wanzenried, D-Missoula



*Jones*

## Legislative Consumer Committee

**Chair:** Sen. Terry Murphy, R-Cardwell  
**Vice Chair:** Rep. Pat Noonan, D-Ramsay  
 Rep. Tom Berry, R-Roundup  
 Sen. Joe Tropila, D-Great Falls



*Murphy*

## Children, Families, Health & Human Services Committee

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**Vice Chair:** Sen. Rick Laible, R-Darby  
 Sen. Roy Brown, R-Billings  
 Rep. Mary Caferro, D-Helena  
 Sen. Christine Kaufmann, D-Helena  
 Rep. Gary MacLaren, R-Victor  
 Rep. Penny Morgan, R-Billings  
 Sen. Trudi Schmidt, D-Great Falls



*Sands*

## Economic Affairs Committee

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**Vice Chair:** Rep. Gordon Vance, R-Bozeman  
 Sen. Roy Brown, R-Billings  
 Sen. Ken Hansen, D-Harlem  
 Rep. Chuck Hunter, D-Helena  
 Rep. Michele Reinhart, D-Missoula  
 Rep. Don Roberts, R-Billings  
 Sen. Ryan Zinke, R-Whitefish



*Keane*

## Education & Local Government Committee

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 Rep. Russell Bean, R-Augusta  
 Sen. Gary Branae, D-Billings  
 Sen. Kim Gillan, D-Billings  
 Sen. Bob Hawks, D-Bozeman  
 Rep. Bob Lake, R-Hamilton  
 Rep. Edith McClafferty, D-Butte  
 Sen. Dan McGee, R-Laurel  
 Sen. Jim Peterson, R-Butte  
 Rep. Cheryl Steenson, D-Kalispell



*Grinde*

## Energy & Telecommunications Committee

**Chair:** Rep. Robyn Driscoll, D-Billings

**Vice Chair:** Sen. Jerry Black, R-Shelby

Rep. Duane Ankney, R-Colstrip

Rep. Tony Belcourt, D-Box Elder

Sen. Ron Erickson, D-Missoula

Sen. Verdell Jackson, R-Kalispell

Rep. Harry Klock, R-Harlowton

Sen. Cliff Larsen, D-Missoula



*Driscoll*

## Environmental Quality Council

**Chair:** Rep. Chas Vincent, R-Libby

**Vice Chair:** Sen. Brad Hamlett, D-Cascade

Rep. Sue Dickenson, D-Great Falls

Rep. Julie French, D-Scobey

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Rep. Mike Milburn, R-Cascade

Sen. Rick Ripley, R-Wolf Creek

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Rep. Cary Smith, R-Billings

Sen. Mitch Tropila, D-Great Falls

Sen. Bruce Tutvedt, R-Kalispell

Rep. Franke Wilmer, D-Bozeman

Brian Cebull, Billings

Diane Conradi, Whitefish

Mary Fitzpatrick, Billings

Jeff Pattison, Glasgow

Mike Volesky, Governor's Office



*Vincent*

## Law & Justice Committee

**Chair:** Rep. Shannon Augare, D-Browning

**Vice Chair:** Rep. Ron Stoker, R-Darby

Rep. Bob Ebinger, D-Livingston

Sen. John Esp, R-Big Timber

Sen. Greg Hinkle, R-Thompson Falls

Rep. David Howard, R-Park City

Sen. Carol Juneau, D-Browning

Sen. Jesse Laslovich, D-Anaconda

Rep. Mike Menahan, D-Helena

Sen. Lynda Moss, D-Billings

Rep. Ken Peterson, R-Billings

Sen. Jim Shockley, R-Victor



*Augare*

## Revenue & Transportation Committee

**Chair:** Sen. Kim Gillan, D-Billings

**Vice Chair:** Rep. Roy Hollandsworth, R-Brady

Rep. Dick Barrett, D-Missoula

Rep. Carlie Boland, D-Great Falls

Sen. Ron Erickson, D-Missoula

Sen. Jeff Essmann, R-Billings

Rep. Brian Hoven, R-Great Falls

Rep. Mike Jopek, D-Whitefish

Sen. Christine Kaufmann, D-Helena

Rep. Bill Nooney, R-Missoula

Sen. Jim Peterson, R-Butte

Sen. Bruce Tutvedt, R-Kalispell



*Gillan*

## State Administration & Veterans' Affairs Committee

**Chair:** Sen. Joe Tropila, D-Great Falls

**Vice Chair:** Rep. Gordon Hendrick, R-Superior

Sen. Joe Balyeat, R-Bozeman

Rep. Tim Furey, D-Milltown

Rep. Pat Ingraham, R-Thompson Falls

Sen. Larry Jent, D-Bozeman

Sen. Dave Lewis, R-Helena

Rep. Robert Mehlhoff, D-Great Falls



*Tropila*

## State-Tribal Relations Committee

**Chair:** Rep. Scott Reichner, R-Bigfork

**Vice Chair:** Sen. Sharon Stewart-Perego, D-Crow Agency

Rep. Frosty Boss Ribs, D-Heart Butte

Sen. John Brueggeman, R-Polson

Sen. Rick Laible, R-Darby

Rep. Ken Peterson, R-Billings

Rep. David Roundstone, D-Busby

Sen. Jonathan Windy Boy, D-Box Elder



*Reichner*

## Water Policy Committee

**Chair:** Rep. Walter McNutt, R-Sidney

**Vice Chair:** Sen. David Wanzenried, D-Missoula

Sen. Debby Barrett, R-Dillon

Rep. Russell Bean, R-Augusta

Sen. Brad Hamlett, D-Cascade

Rep. Bill McChesney, D-Miles City

Sen. Terry Murphy, R-Cardwell

Rep. JP Pomnichowski, D-Bozeman



*McNutt*

All interim committee meetings are held in the Capitol in Helena unless otherwise noted.

January 2010						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7 Environmental Quality Council, 8:30 am, Rm 172	8 Environmental Quality Council, 8:30 am, Rm 172	9
10	11	12	13 Water Policy Comm, 9 am, Rm 152	14 Water Policy Comm, 9 am, Rm 152  Energy & Telecomm Comm, 8 a.m., Rm 102  State-Tribal Relations Comm, time TBA, Rm 137	15	16
17	18	19	20 Economic Affairs Comm, 8:30 am, Rm 137	21 Economic Affairs Comm, 8 am, Rm 137	22	23
24/31	25 Children, Families, Health & Human Services Comm, 9:30 am, Rm 137	26	27	28	29	30

February 2010						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8 Law & Justice Comm, time TBA, Rm 137	9 Law & Justice Comm, time TBA, Rm 137	10	11	12	13
14	15	16	17	18 Revenue & Transportation Comm, time TBA, Rm 137	19 Revenue & Transportation Comm, time TBA, Rm 137	20
21	22	23	24	25	26	27
28						

Legislative Services Division  
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